



State of Arizona
Department of Education

Lisa Graham Keegan
Superintendent of
Public Instruction

TESTIMONY OF LISA GRAHAM KEEGAN
SUPERINTENDENT OF PUBLIC INSTRUCTION
STATE OF ARIZONA

U.S HOUSE COMMITTEE ON THE BUDGET

210 CANNON HOUSE OFFICE BUILDING
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC

MARCH 13, 2001
1:00 P.M.

TESTIMONY OF LISA GRAHAM KEEGAN
SUPERINTENDENT OF PUBLIC INSTRUCTION
STATE OF ARIZONA

Mr. Chairman, Members of the Committee, it is a pleasure to appear before you today to discuss the President's proposed budget for the Department of Education. I am particularly honored to be sitting here with Secretary Paige, whose work and career I have followed for many years. His commitment to education is second to none, his enthusiasm is infectious, and students under his leadership excel. He is an excellent choice to lead the Department of Education into the 21st century.

Mr. Chairman, I must admit I was pleasantly surprised to be asked to testify before this committee, because in all my years as Superintendent of Public Instruction -- and, before that, as a member of the State Legislature -- I have rarely made the pitch that more federal spending is what is needed to address the challenges facing education today. In fact, I made rather a buzz a year or so ago with a piece I wrote for the Fordham Foundation when I summed up the appropriate role of the federal government in education with the words, "back off." Obviously, I have never been known for subtlety.

This advice, however, remains consistent with my belief that there can still be an appropriate, even successful, role for the federal government in education, provided that three things happen, and usually in this order:

- ✓ First, the President proposes budget priorities that encourage the academic growth of children, and not the explosive growth of educational bureaucracies.
- ✓ Second, that the Congress uses its legislative finesse and power of the purse to direct resources where they are most needed rather than where they are necessarily the most wanted.

- ✓ And third, that the U.S. Department of Education takes its role seriously in developing regulations and guidance that steer, rather than strangle, States, districts and schools.

In the case of the President's budget proposal, I think the first criteria for success has been met. The President has clearly stated that in his Administration, there will be no excuses for failure -- socioeconomic status, race, ethnicity, or limited English proficiency will no longer be accepted, or blamed, as inhibitors of educational success. The President assumes, and then demands, that all children in this Nation will succeed.

And he has done this not by creating an endless number of discretionary set-asides, or by creating programs that worry first about maintaining existing bureaucracies or systems. Rather, he has trained his eye and his efforts on the child, and on working to fund priorities that look at the educational needs of children and what is required for them to succeed.

It is appropriate, then, that the President -- and the First Lady -- have made reading the first priority of his education plan. Reading is at the core of preparing children to learn for life -- no one gets ahead unless they can read first, and the President has put up a billion dollars as a down payment to ensure that the kids get there. Almost a quarter of the total increase in educational spending will go into the President's reading initiative.

Reading and reading instruction are issues we as a nation have tinkered with around the edges for decades, and the fiasco regarding whole language probably cost us a generation worth of progress. The President has committed the resources necessary to ensuring that we can have every child in this nation reading by the time they reach the third grade, and it is a commitment I encourage you to help him meet.

However, the real showpiece of the President's plan, in my opinion, is its strong accountability mechanism. Accountability lies at the heart of true educational reform because it not only inherently demands success, but also provides the means of

identifying the shortcomings in the system and where improvement is needed. We have had a strong accountability system in place in Arizona for a number of years, and it has helped us shift the focus in our state away from looking for excuses toward looking for ways to succeed.

Using our state assessment system -- a unique combination of two assessments -- a criterion-referenced test measuring our rigorous Arizona Academic Standards and an annual norm-referenced test that delineates academic gain -- we know which students in our state are succeeding and what it is they're learning. More important, it also tells us which students are not succeeding, and what it is they're not learning so we can work to fix it. This is a critical component of education in Arizona, and I am pleased to finally see it reflected in federal policy.

One of the basic assumptions of our state's accountability system -- and in the President's plan as well -- is that all children can learn. We have the same expectations of all children, and -- *horrors!* -- we test all children. We really need to conquer this fear of testing. Testing is not just an intellectual exercise for students, nor is it a punishment. And blaming a test for low academic achievement is like blaming a fever on the thermometer.

When done well, testing is a useful and necessary tool in determining where we are as teachers, students, policymakers, and a nation. You cannot hold states accountable unless you have a valid mechanism for measuring success. Without testing, all we have are vapor trails of good intentions zooming off into the sky.

Therefore, I applaud the President's effort to encourage annual testing and I also believe in publishing the results of those tests in school-by-school report cards. We already issue report cards in Arizona, and we make them widely available through the Internet to anyone who wants to view them. School report cards have proved to be one of our most valuable tools in helping schools look at where they need to do better, and parents have indicated to us that they are the first thing they look at when trying to determine which

school is best for their children. When moving into a new neighborhood, a parent can simply log onto our web page, type in the name of his or her school district, and pull up a report card on every school in their new district.

I am also pleased to note a new accountability provision in the President's budget request that not only imposes consequences on states and schools that do not make progress, but which also rewards states and schools that succeed. I must confess to being somewhat baffled by the conditions of the current school improvement law which say that the more you fail, the more funding you receive. While I understand and support the need to target funds to schools where they are most needed, such an approach sends a curious message to the school whose students made progress and received only passing notice, while the school down the street picked up an additional \$200,000 for failing. I recently heard from some superintendents in the rural southeastern part of Arizona who asked, "How come you and your staff seem to only visit us when we're doing badly?" and while that is not exactly true, I had to respond with, "Because that's when the law tells us to." I am pleased that, with this proposal, we can at last acknowledge excellence at the same time we are providing additional services to those schools that need help.

I would encourage the Congress to work carefully to ensure that any legislative proposals will reflect the President's commitment that, "accountability must be accompanied by local control, in both measures and means." While I am very pleased that the President, in his budget blueprint, has indicated that States will be given the freedom to use federal dollars to create comprehensive systems of accountability, I would caution you not to be overly prescriptive in describing the nature of that system. Let the States decide what type of annual assessment works best for their students and schools in determining academic gain and excellence in student achievement. Such action would honor the work that states are doing now in moving toward high standards for all children, as well as the creation of statewide assessment and reporting systems. So please, let the States decide how they will test.

I am very encouraged by the provisions in the President's plan to empower parents and provide students and their families with more and more educational options. Choice is what we stand for in Arizona -- it lies at the heart of everything we do. We have the largest system of public charter schools in the United States to give parents and students more options for the kind of school they want. We require all public schools in Arizona to have open enrollment policies and written protocols for accepting students from outside their home district. We issue school report cards to ensure parents have the information they need to make informed choices, and we provide tuition tax incentives that provides qualifying students with real choices of public and private schools.

I applaud the President and Secretary Paige's decision to continue the discussion on educational choice in the budget. The President has proposed allowing families in chronically failing schools to use the Title I dollars *that their own child generates* to pay for supplemental services or, perhaps, private alternatives. I am sure some of the members of this committee had a visceral reaction to the last two words of that proposal, but please, keep talking about it.

In fact, I noted with considerable interest the results of a survey conducted for the National Education Association (NEA) which indicated that a clear majority of Americans support allowing parents of children stuck in failing schools to use tax dollars to send their children to any public, private, or charter school. According to the survey, the proposal enjoys the support of 65 percent of men, 63 percent of minority voters, 55 percent of Democrats, and 65 percent of independents. I think you will find the support for reasonable approaches to choice -- including private education -- is there.

As I mentioned, in Arizona, we have proved that students can be given private choices in a way that passes Constitutional muster. State law allows individuals to donate up to \$500 -- in exchange for a dollar-for-dollar tax credit -- to non-profit organizations set up to award scholarships to at-risk students so they can attend private school. These things can be done in a way that is fair and without infringing upon First Amendment issues. Keep looking at ways to ensure those dollars support a student, not a system.

It is this point -- watching out for the student, and not the system -- which I want to reiterate as you are talking about both the budget and legislative proposals. I said earlier that Congress should work to send resources where they are needed, not necessarily where they are wanted. The President has proposed to dramatically increase funding for education, and I know some Members have discussed offering amendments to "fully fund" programs like Title I. But I'm telling you now, such increases aren't meaningful if the funding never makes it to the child who generated the funding in the first place.

Congress needs to get over this recurring urge to hold everyone harmless when it begins allocating Title I funds. While States may certainly be held harmless, the children themselves certainly aren't. Continuing to fund a state based on where its kids were years ago instead of where they are now means overpaying one state while underpaying another, and all at the expense of the disadvantaged student. It is the student, after all, who is entitled to the funds, not the State or a district. A hold harmless clause results in the funding of phantoms. Let's allocate these precious funds based to those who need them -- real kids in the classroom right now -- and not to those who want them just because they've always had them.

The President has also encouraged choice by providing incentives for the growth of charter schools by providing seed capital for start up costs. As reported by the Congressional Research Service, one of the major reasons for closing charter schools has not been failure to perform academically, but rather insufficient costs for facilities, since most charters cannot rely on local taxes for their basic expenses. This provision in the budget helps address this significant need, although I want to alert the Congress that you will need to look at a number of other issues, including the method of allocating funding to school districts, to ensure that charter schools can draw down funds in a timely manner in order to deliver many of the services described in the budget.

The largest increase in the President's budget goes toward teachers -- recruitment, training, hiring and retention -- and I couldn't agree more that this is one area where we

need to add some significant resources. We need to take a good hard look at the critical issues of training and retention, especially in the areas of mathematics, science, vocational education and special education. States need to take the initiative to return education to the teachers and make teaching an attractive profession again. Finally, we need to keep great teachers doing what they do best -- teaching in the classroom, not administering programs or babysitting.

The \$2.6 billion the President is proposing for teacher quality is a good start, and I encourage the Congress to take full advantage of this investment of resources by crafting a flexible, quality program. No more overly prescriptive, formula-driven grants, such as the Class Size Reduction grant. Instead, allow States the flexibility to pursue initiatives to encourage innovation in the classroom, through programs such as Arizona's Teacher Advancement Program (TAP).

The TAP program is an initiative we undertook last year with the cooperation of the Milken Family Foundation to revamp the current school structure in order to provide greater opportunities for teacher without asking them to leave the classroom. We can offer them multiple career paths, better salary compensation, and stronger support for new teacher. The TAP program lets teachers not only get back to teaching, but also allows them to take stronger roles in training other teachers, and sharing expertise with other districts. Importantly, the TAP program advances the importance of judging teacher quality on student performance. A successful teacher takes the child where she finds him and moves the child. Success for students is gauged in academic progress, and success for teachers needs to be based on the same measure. This is just one example of an initiative Arizona could pursue more widely and freely with the flexibility provided in the President's proposal.

I also want to continue to encourage you to follow the President's lead in consolidating programs. I am pleased, for example, to see the President propose a merging of two programs that serve identical purposes -- the 21st Century Community Learning Centers and the Safe and Drug Free Schools and Communities Act -- into a consolidated grant.

While the President has proposed making this a State formula grant, I would recommend either that LEAs apply directly to the U.S. Department of Education for this funding, as they do under the present 21st Century program, or that the State distribute its formula funds competitively. The onus would then be on the states to ensure that programs followed best practices in terms of prevention programs, and that grants would be made in a manner that ensured resources were adequate to meet the needs of the program, rather than just drizzling out of funds by formula, as under the current Title IV program.

I also want to credit the President and the Secretary for proposing that States be allowed to redirect resources provided for FY 2001 under the school renovation fund authorized in this year's Omnibus Appropriations Bill. Arizona received \$17.5 million under this grant, and the President has asked that States be allowed to use these funds for renovation or, if they so choose, for special education or technology. While my agency does not administer these funds -- the Act required that we pass these funds through to the Arizona School Facilities Board -- we would like further direction on how we might, for example, direct half these funds through to the Facilities Board for renovation, and invest the remainder in technology initiatives, such as our Regional Training Centers.

We've been talking a lot today about what we're spending, Mr. Chairman, but let me also mention talk a little bit about what we're saving. I've been a legislator, and I know there are lots of things that are nice to do with funding, especially at the federal level where the funds are somewhat more impressive. The President has proposed budget savings of more than \$430 million in his education budget, mainly through the discontinuation of one-time and short-term projects.

I know it is difficult when negotiating a budget -- and even more difficult when negotiating appropriations -- to refrain from creating all sorts of little projects to appease all sorts of different constituencies. But I hope you can appreciate that what the President has done here is what States are asked to do all the time -- make the most of the funding you have. To this end, the President has focused his efforts on long-term, big picture initiatives that will improve student achievement, hold States accountable, empower

parents, and keep our teachers well trained. I urge you to concentrate on these initiatives, rather than winnowing money out on smaller projects. We don't need lots of small projects with even more reporting requirements and audit checks. Let's stay on task.

Mr. Chairman, I believe the President has given you a good start, and I hope the committee will include his recommendations in the FY 2002 budget resolution. It is now up to you, the Congress, not only to implement his budget, but also to develop many of the initiatives he discusses in his blueprint. I encourage the authorizing committees in the House and Senate to use the President's proposal as a guide when developing this year's reauthorization bills.

There is much that is promising in this budget proposal, and much that will require thoughtful deliberation by the Congress. As for those of us in the States, if you will provide us with the funding and flexibility proposed in this budget, I promise you we will ensure that our students have the tools they need to achieve and to succeed. We will implement the accountability mechanisms that quality education demands. We will make our teachers the best in the world. We will provide parents with information and choices they need to make the best decisions for their children. And I look forward to us doing it together, at the State and federal level, in what is finally a true cooperative effort.

Mr. Chairman, thank you very much for the opportunity to speak with you today. I look forward to responding to any questions you and the Committee may have.